
**CODE OF BUSINESS CONDUCT AND ETHICS
OF
SOLUTIA INC.**

Solutia Inc. and its subsidiaries (the “Company”) is committed to achieving the highest standards of legal, honest and ethical conduct for itself, its directors, officers and employees. The Company has adopted this Code of Business Conduct and Ethics (the “Code of Conduct” or “Code”) in order to provide guidance to our directors, officers and employees (including contract employees) (each, an “employee”) in recognizing and dealing with ethical issues and other matters important to the Company, provide mechanisms for reporting unethical or illegal conduct and other violations of this Code, and help foster and maintain a culture of honesty and accountability throughout the Company. It is, therefore, essential that all directors, officers and employees adhere to this Code of Conduct.

This Code is subject to unilateral change by the Company at any time. Nothing contained herein shall be construed or applied as a binding interpretation or definition of the law or industry practice. Any act by a director, officer or employee in violation of the law or of this Code is beyond the scope of such person’s authority and is not an act by or on behalf of the Company.

I. Encouraging the Reporting of Any Illegal or Unethical Behavior or Other Violations of this Code of Business Conduct and Ethics.

In order to ensure that the spirit and intent of this Code of Conduct are realized, the Company encourages employees to talk to supervisors, managers, or human resource representatives when in doubt about the best course of action in a particular situation. If that is not possible for any reason, employees should contact the Company’s toll-free hotline service operated by The Network, an independent company at: 1-800-481-1948. This service is available 24 hours a day, 7 days a week.

To encourage employees to report any and all such violations, the Company will not tolerate retaliation for reports made in good faith by any employee of the Company. Retaliation or retribution against any employee for the reporting in good faith of violations of laws, regulations or this Code of Conduct is cause for appropriate discipline, including termination of employment. All reports of potential violations will be addressed to the Corporate Compliance Officer, or if the allegation involves the Corporate Compliance Officer, then such report will be addressed to the Director of Human Resource Planning. Employees may make their reports anonymously. If requested to do so, the Company will make every effort to maintain an employee’s identity in confidence.

Violations of the Company standards of business conduct and ethics enumerated in this Code of Conduct are cause for appropriate discipline, including termination of employment.

II. Conflicts of Interest.

The Company prohibits conflicts of interest. A conflict of interest occurs when an individual’s private interest interferes in any way– or even appears to interfere – with the interests of the Company as a whole. A conflict situation can arise when you take actions or have interests that may make it difficult to perform your work objectively and effectively. Conflicts of interest also arise when you, or a member of your family receives improper personal

benefits as a result of your position in the Company. Loans to, or guarantees of obligations of, such persons are of special concern.

III. Corporate Opportunities.

You owe a duty to the Company to advance the legitimate interests of the Company when the opportunity to do so arises. Accordingly, you are prohibited from directly or indirectly (a) taking personally for yourself, opportunities that are discovered through the use of Company property, information or positions; (b) using Company property, information or positions for personal gain; and (c) competing with the Company.

IV. Confidentiality.

You must maintain the confidentiality of information entrusted to you by the Company or its customers except when disclosure is authorized or legally mandated. Confidential information includes all non-public information that might be of use to competitors, or harmful to the Company or its customers if disclosed. For example, product developments, marketing strategies, budgets, pricing practices, financial information or other information of a confidential nature concerning the Company must be kept confidential.

V. Fair Dealing.

All employees should endeavor to deal fairly with the Company's customers, suppliers, competitors and employees. You should not take unfair advantage of anyone through manipulation, concealment, abuse of privileged information, misrepresentation of material facts, or any other unfair-dealing practice.

You may accept only common courtesies normally associated with ethical business practices and which would not influence or appear to influence the Company's sound business judgement. Other than such courtesies, you may neither accept nor solicit any gifts, payments, finder's or agent's fees, services, kickbacks, rebates, valuable privileges or other favors from any customer or supplier.

No form of entertainment (i.e., dinner parties, theater parties, sports events, etc.) may be solicited from or given in response to solicitations by customers or suppliers. Occasionally, you may accept or give unsolicited entertainment, so long as it arises out of the ordinary course of business; involves reasonable, not lavish, expenditures; does not obligate you; and takes place in appropriate settings.

VI. Protection and Proper Use of Company Assets.

All employees must protect the Company's assets and ensure their efficient use. All Company assets must be used for legitimate business purposes only.

VII. Compliance with Laws, Rules and Regulations.

The Company requires compliance with all applicable laws, rules and regulations. Set forth below is a broad overview of the Company's policies with respect to certain of those laws. This overview is not, nor is it intended to be, an exhaustive list of the Company's policies pertaining to compliance with laws.

A. Environmental, Health and Safety Laws.

It is the Company's policy to fully comply with all environmental, safety and health laws and regulations. Many activities the Company undertakes are regulated by these laws. In addition to manufacturing and production, the handling, storage and transportation of raw materials, products and wastes are regulated. Even the marketing of the Company's products is frequently regulated by various federal, state and local laws. Operations outside the United States are subject to similar laws, regulations and requirements.

B. Antitrust Laws.

The Company's policy is to fully comply with all state, federal and foreign antitrust laws. These antitrust laws prohibit business activities that constitute unreasonable restraints of trade, unfair trade practices and other anti-competitive activities. Most serious antitrust violations involve attempts to restrict competition through agreements or understandings with competitors, suppliers or customers. Areas of concern relate to prices, sales terms, marketing territories, distribution methods, choice of customers and suppliers and production volumes. An agreement need not be in writing. An informal, "off the record" understanding, even one which can be inferred from the conduct of the various participants, may constitute a violation of the antitrust laws.

C. Copyright, Patent and Trademark Laws.

The Company's policy is to fully comply with all laws regarding use of copyrighted or patented material, information or products. It is the Company's policy that its trademarks and other intellectual property and that of other companies be acknowledged and used properly.

D. Securities Laws.

The Company's policy is to fully comply with all state and federal securities laws. Further, the Company prohibits insider trading. Employees who possess material, non-public information concerning the Company or that of a company with which the Company does or proposes to do business, may not trade in either Solutia or the other company's securities nor reveal the information to anyone until the information has been effectively disclosed to the public.

E. Equal Employment Opportunity Laws.

The Company's policy is to fully comply with all equal employment opportunity laws. These laws require that recruiting, hiring, placing, training, compensating, promoting, transferring and terminating employees be based on job-related qualifications and performance without regard to race, color, religion, national origin, veteran status, gender, sexual orientation, age or disability unrelated to the performance of essential tasks of the position, or other factors protected by applicable federal, state or local laws.

F. International Business.

The Company is subject to certain U.S. trade laws as well as local laws in international locations where the Company does business. It is the Company's policy that all international business be conducted in compliance with these laws. Set forth below is a broad overview of the Company's policies with respect to certain of these laws.

1. Foreign Corrupt Practices Act

It is the Company's policy to fully comply with the Foreign Corrupt Practices Act.

The Foreign Corrupt Practices Act makes unlawful the payment of any bribe, kick-back or other similar payment to a foreign official to secure any concession, contract or favorable treatment for the Company. The Act also requires the Company to keep books and records that accurately and fairly reflect the transactions of the Company and to devise and maintain an adequate system of internal controls.

2. Export and Import Regulations

It is the Company's policy to fully comply with the export and import regulations of the countries in which it operates. Every country in which the Company operates maintains a complex set of laws that regulate the Company's ability to export and import goods and technology.

3. Antiboycott Laws

It is the Company's policy to fully comply with all applicable antiboycott laws. These laws apply to the Company's operations inside and outside the United States. Under the antiboycott laws, the Company is prohibited from, among other things:

- refusing to do business with an illegally boycotted country;
- furnishing or agreeing to furnish information about business relationships with illegally boycotted countries; and
- paying, honoring, issuing, confirming or negotiating a letter of credit requiring the Company to participate in an illegal boycott.

IX. Code of Conduct Waivers.

- A. General. Before you undertake any action that would be otherwise prohibited by this Code of Conduct, you must obtain a written waiver from the Company's Corporate Compliance Officer, as provided below in Section IX.B, unless you are a director or Executive Officer (as defined under Rule 16a-1(f) of the Securities Exchange Act of 1934) of the Company, in which case your waiver must be sought under Section IX.C below.
- B. Review Requirements for Non-Executive Employees. This subsection applies to those individuals covered by this Code who are not Executive Officers or directors of the Company.
1. In the event you desire to receive a waiver from any provision contained in this Code of Conduct, you must first submit a written request to the Company's Corporate Compliance Officer, who may be contacted within the United States at 1-800-431-6837 or ex-U.S. (using the appropriate international country codes): + 314-674-6837. You may also write to the Corporate Compliance Officer at P.O. Box 66770 St. Louis, MO 63166-6770. The request should, at a minimum, contain the following information:
 - a. a description of the your duties and responsibilities with the Company;
 - b. a general description of the proposed activities that would potentially violate the provisions of this Code of Conduct;
 - c. a description of the relationship between you and any of the parties potentially involved in such proposed activity with the Company; and

- d. the proposed level of the your involvement in such proposed activity.
 2. The Company's Corporate Compliance Officer may request additional information and may request a recommendation, evaluation or concurrence from any officer, director or outside counsel, if the Corporate Compliance Officer deems such to be appropriate.
 3. Once a written determination has been made by the Corporate Compliance Officer, it shall continue in effect until it is reversed, modified or withdrawn, irrespective of whether a waiver is granted. Notwithstanding the foregoing, when changed circumstances or new developments occur, you are responsible for informing the Company's Corporate Compliance Officer of such change. Upon further review, the previous decision may be reversed, modified or withdrawn.
 4. The Company's Corporate Compliance Officer will retain records of Code of Conduct waiver reviews. Copies will be provided to you and filed in your personnel file.
 5. An employee may appeal the determination of the Company's Corporate Compliance Officer directly with the Chief Executive Officer of the Company.
- C. Review Requirements for Executive Officers and Directors. This subsection applies to those individuals covered by this Code who are Executive Officers or directors of the Company.
1. In the event you desire to receive a waiver from any provision contained in this Code of Conduct, you must first submit a written request to the Board of Directors or the Governance Committee. The request should, at a minimum, contain the following information:
 - a. a description of the your duties and responsibilities with the Company;
 - b. a general description of the proposed activities that would potentially violate the provisions of this Code of Conduct;
 - c. a description of the relationship between you and any of the parties potentially involved in such proposed activity with the Company; and
 - d. the proposed level of your involvement in such proposed activity.
 2. The Board of Directors or Governance Committee, may request additional information and may request a recommendation, evaluation or concurrence from outside counsel if such is deemed to be appropriate.
 3. Once a written determination has been made, it shall continue in effect until it is reversed, modified or withdrawn, irrespective of whether a waiver is granted. Notwithstanding the foregoing, when changed circumstances or new developments occur, you are responsible for informing the Board of Directors or Governance Committee of such change. Upon further review, the previous decision may be reversed, modified or withdrawn.
 4. The Company's Corporate Compliance Officer will retain records of Code of Conduct waiver reviews. Copies will be provided to you and, with respect to Executive Officers, filed in your personnel file.
 5. Any waiver granted pursuant to any provision of this Section IX.C shall be promptly disclosed as required by law.